## STATE OF CALIFORNIA

## BUSINESS, TRANSPORTATION AND HOUSING AGENCY DEPARTMENT OF CORPORATIONS

TO: VIRGINIA ANN BATTELLE 31 Oak Knoll Coto De Caza, CA 92679

## **DESIST AND REFRAIN ORDER**

(For violations of section 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

- 1. Although Virginia Ann Battelle had a certificate to be an agent of NYLife Securities, Inc., she on behalf of a company, Creative Money Strategies, which possessed no certificate as a broker-dealer, offered and sold securities in the form of viaticals issued by The Alpha Capital Group, LLC to residents of California securities and by means of oral communications containing false statements or omissions of material fact.
- 2. Beginning in or about November 1998, Virginia Ann Battelle represented to at least one investor that she was working for Creative Money Strategies, a company that does not have a broker-dealer certificate.
- Virginia Ann Battelle offered and sold securities in the form of viaticals issued by The Alpha Capital Group, LLC to investors with sales occurring on November 11, 1998, and December 23, 1998.
- 4. Virginia Ann Battelle told one of the investors that he could anticipate a 30% to 40% return on his money in two years with an option to rollover the investment. The investor was told that The Alpha Capital Group, LLC created ideal safety controls, which guaranteed the principal, and the investor was not told about the risks. In actuality, the investor in the viaticals issued by The Alpha Capital Group, LLC did not obtain a 30% to 40% return on his money and the principal is at risk.

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Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that Virginia Ann Battelle offered and sold securities issued by The Alpha Capital Group, LLC in this State by means of written or oral communications which included untrue statements of a material fact or omitted to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, in violation of section 25401 of the Corporate Securities Law of 1968. Pursuant to Section 25532 of the Corporate Securities Law of 1968, Virginia Ann Battelle is hereby ordered to **DESIST and REFRAIN** from offering and selling any security in the State of California, including but not limited to, by means of any written or oral communication which includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made not misleading.

This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

Dated: December 24, 2002

Sacramento, California

DEMETRIOS A. BOUTRIS California Corporations Commissioner

By\_\_\_\_\_\_\_VIRGINIA JO DUNLAP
Supervising Counsel
Enforcement and Legal Services